



## Missouri Department of Natural Resources Energy Center

### MISSOURI ENERGY BULLETIN

November 20, 2003

Energy prices and supplies shown throughout this bulletin are from Nov. 17, 2003 unless otherwise noted. Also shown are energy data from a month ago, Oct. 20, 2003, and from a year ago, Nov. 18, 2002.

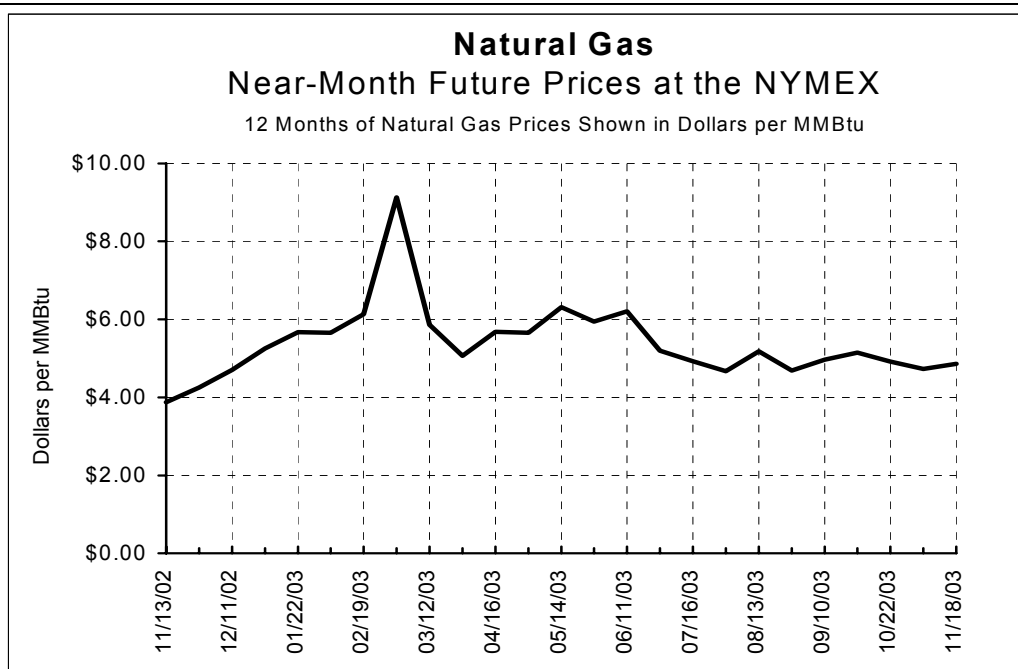
### Heating Fuels

Heating fuels tracked in the Missouri Energy Bulletin include natural gas, propane and residential heating oil. All heating fuel prices and supplies shown from October through March are updated in every new release of the bulletin. From April through September, propane and heating oil prices and supplies are either not available or revised once a month.

### Natural Gas

Approximately 60 percent of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity. From 1997 to 2000, Missouri electric utilities' use of natural gas increased by an annual average of 23 percent.

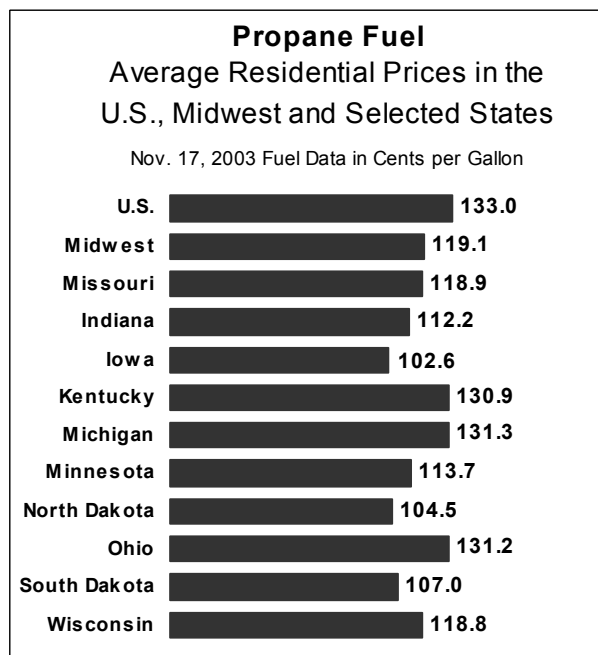
- The spot price for natural gas at the Henry Hub, throughout this last month (Oct. 22 to Nov. 18), decreased by 0.37 dollars per MMBtu (8 percent) moving from 4.86 to 4.50 dollars per MMBtu. Throughout this last year (Nov. 18, 2002 to Nov. 18, 2003), the price paid increased by 0.32 dollars per MMBtu moving from 4.18 to 4.50 dollars per MMBtu, an increase of 8 percent. (Source: *Wall Street Journal*)
- The near-month contract settlement price paid for natural gas futures at the NYMEX, throughout this last month (Oct. 22 to Nov. 18), decreased by 0.05 dollars per MMBtu (1 percent) moving from 4.92 to 4.87 dollars per MMBtu. Throughout this last year (Nov. 13, 2002 to Nov. 18, 2003), the price paid increased by 0.99 dollars per MMBtu moving from 3.88 to 4.87 dollars per MMBtu, an increase of 25 percent. (Source: *Wall Street Journal*)
- Expectations that prices will rise with the arrival of cold weather and the higher price of crude oil likely setoff a rally in the futures market on Friday, Nov. 14, when prices of the Dec. contract settled at 5.11 dollars per MMBtu. DOE believes that continuing moderate weather could undermine expectations that demand will remain sufficient to sustain the higher price level.
- Working gas in storage was 3,155 Bcf as of Friday, November 14, 2003, according to EIA estimates. This represents a net decline of 32 Bcf from the previous week, which is 78 percent more than the 5-year average withdrawal of 18 Bcf for the week. Cooler-than-normal temperatures across the Northeast likely contributed to the larger than normal withdrawals of natural gas from storage. Stocks were 59 Bcf higher than last year at this time and 3.5 percent above the 5-year average.



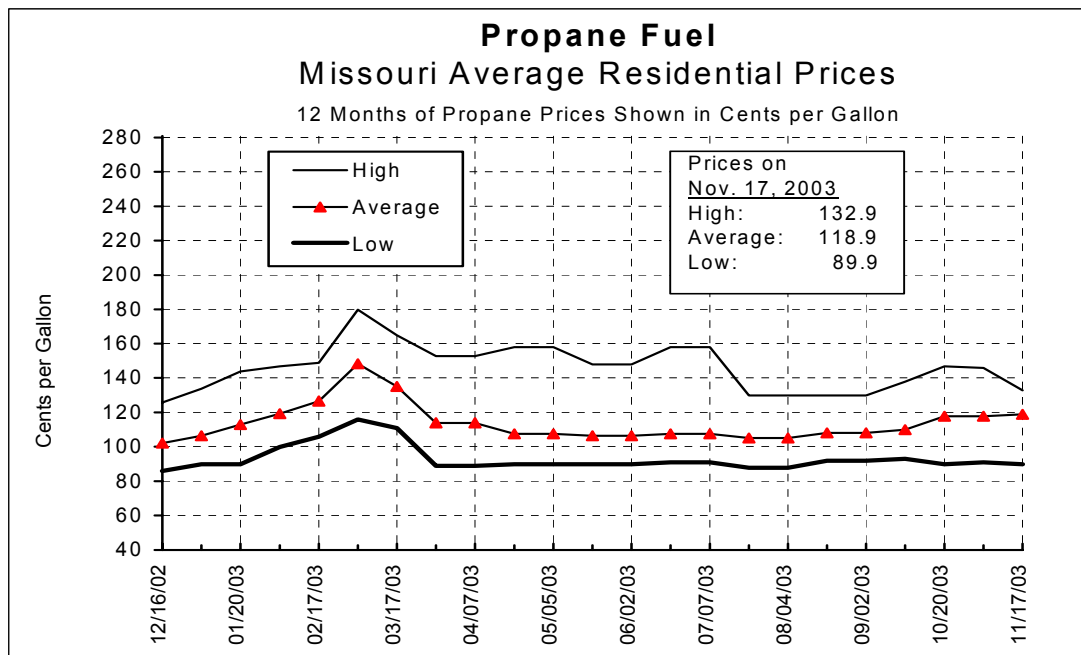
## Propane

Approximately 12 percent of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles. In 2000, Missourians spent about \$459 million and used 455 million gallons of propane.

- The average price paid for residential propane in **Missouri**, throughout this last month, increased by 1.1 cents per gallon (1 percent) moving from 117.8 to 118.9 cents per gallon. Throughout this last year, the price paid for propane increased by 22.5 cents per gallon moving from 96.4 to 118.9 cents per gallon, an increase of 23 percent.
- Propane stocks in the **United States**, throughout this last month (Oct. 17 to Nov. 14), were down by 1.3 million barrels moving from 66.3 to 65.0 million barrels, a decrease of 2 percent. In the **Midwest**, stocks were up by 1.1 million barrels (5 percent) moving from 22.4 to 23.5 million barrels.
- Propane stocks in the **United States**, throughout this last year (Nov. 15, 2002 to Nov. 14, 2003), were up by 3.9 million barrels (6 percent) moving from 61.1 to 65.0 million barrels. In the **Midwest**, stocks were up by 2.0 million barrels moving from 21.5 to 23.5 million barrels, an increase of 9 percent.



- According to the EIA, U.S. inventories of propane continued lower last week with a nearly 700,000 barrel decline that pushed stocks down to an estimated 65 million barrels as of November 14, 2003. Within the Midwest region, inventories of propane fell by nearly 300,000 barrels to 23.488 million barrels, 1.963 million barrels or 9.1 percent higher than this time last year when inventories stood at 21.525 million barrels.

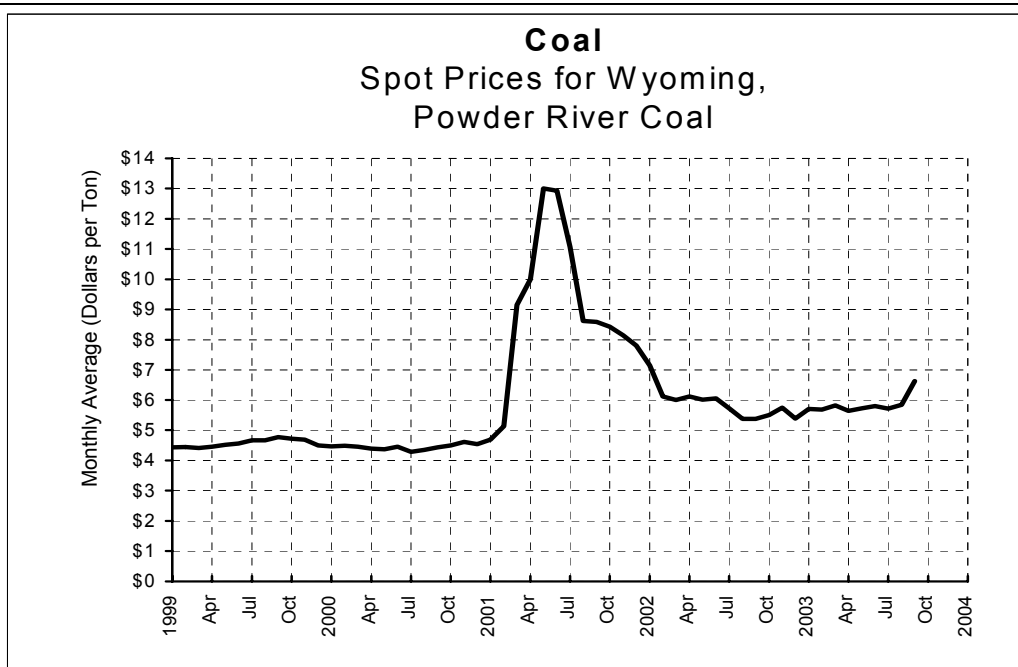


### Residential Heating Oil

- The average price paid for residential heating oil in the **Midwest**, throughout this last year, increased by 5.8 cents per gallon moving from 119.2 to 125.0 cents per gallon. In the **United States**, the average price paid increased by 12.7 cents per gallon (10 percent) moving from 127.3 to 140.0 cents per gallon.
- Residential heating oil stocks in the **Midwest**, throughout this last month (Oct. 17 to Nov. 14), were up by 0.2 million barrels (3 percent) moving from 7.1 to 7.3 million barrels. In the **United States**, stocks were up by 0.1 million barrels (less than 1 percent) moving from 55.6 to 55.7 million barrels.
- Stocks in the **Midwest**, throughout this last year (Nov. 15, 2002 to Nov. 14, 2003), were down by 0.2 million barrels (3 percent) moving from 7.5 to 7.3 million barrels. In the **United States**, stocks were up by 1.1 million barrels (2 percent) moving from 54.6 to 55.7 million barrels.

### Coal

Coal-fired electric power plants located in Missouri produced 84 percent of all electric power used throughout the state in 2001. Of all coal delivered to Missouri during 2000, about 96 percent came from Wyoming.

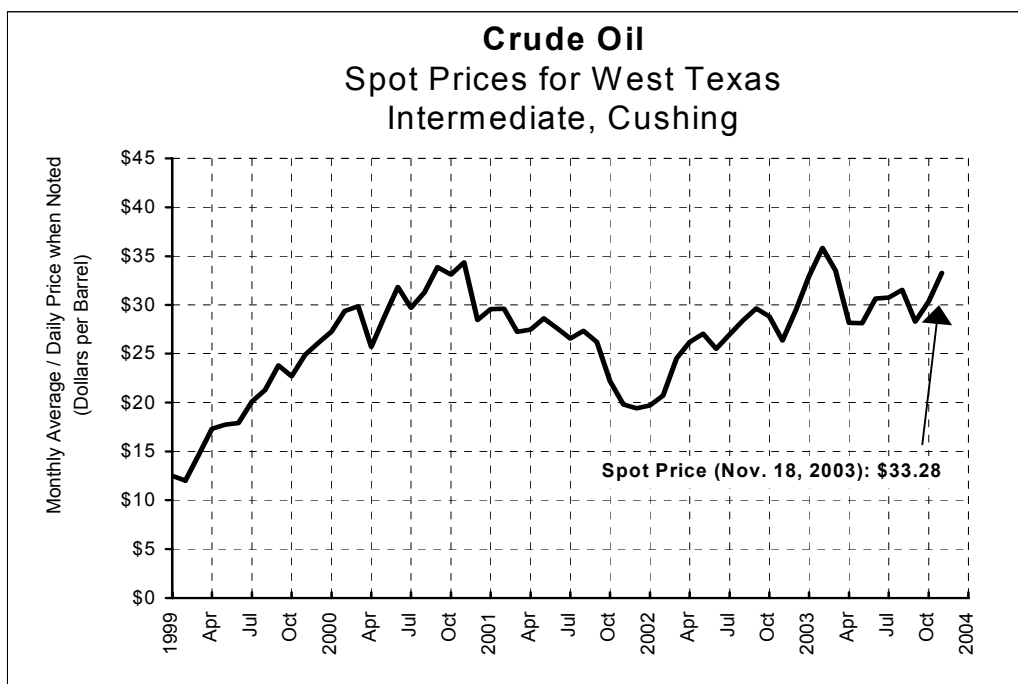


- The monthly average price paid for Wyoming, Powder River coal, throughout this last month (Aug. to Sep.), increased by 0.79 dollars (14 percent) moving from 5.84 to 6.63 dollars per ton. Throughout this last year (Sep. 2002 to Sep. 2003), the average price paid increased by 1.25 dollars moving from 5.38 to 6.63 dollars per ton, an increase of 23 percent. (Source: *Wyoming Insight*, Sep. 19, 2003)
- Estimated coal production for the week ending Nov. 8 was 20.7 million short tons (mmst). This was 0.117 mmst or 0.5 percent below the comparable week in 2002. Year to date U.S. coal production is estimated at 920.9 mmst, or 1.9 percent behind the corresponding total for 2002.
- The recent spike in coal prices can be attributed to purchases by utilities to replenish depleted inventories, according to the state of Wyoming, and are not expected to move significantly in either direction for the next few months.

## Crude Oil

- The spot price of crude oil (West Texas Intermediate - Cushing), throughout this last month (Oct. 22 to Nov. 18), increased by 3.55 dollars per barrel (12 percent) moving from 29.73 to 33.28 dollars per barrel. Throughout this last year (Nov. 18, 2002 to Nov. 18, 2003), the spot price increased by 6.55 dollars per barrel moving from 26.73 to 33.28 dollars per barrel, an increase of 25 percent. (Source: *Wall Street Journal*)
- U.S. crude oil supplies increased 2.9 million barrels during the week ending Nov. 7 with supplies estimated at 294 million barrels. Current U.S. supplies of crude oil are 5.9 million barrels higher than this time last year.
- The NYMEX spot price for WTI continues to show strength with prices ranging from \$33 to \$33.50 per barrel. Analysts attribute the unseasonably higher price for crude on the decline of crude supplies east of the Rocky Mountains over the last week. The increase in U.S. crude oil supplies was mostly

experienced on the West Coast due to higher imports. Another contributing factor is the unusually high demand for gasoline that is placing pressure on increased production of motor gasoline from crude oil. Averaged over the last four weeks, gasoline demand has been over 9.2 million barrels per day, or 4.7 percent above the same four-week period a year ago.



## Transportation Fuels

- The average retail price paid for regular unleaded gasoline in **Missouri**, throughout this last month, decreased by 12.1 cents per gallon (8 percent) moving from 145.9 to 133.8 cents per gallon. Throughout this last year, the price paid increased by 0.5 cents per gallon moving from 133.3 to 133.8 cents per gallon, an increase of less than 1 percent.
- The average retail price paid for regular unleaded gasoline in the **United States**, throughout this last month, decreased 7.4 cents per gallon (5 percent) moving from 157.1 to 149.7 cents per gallon. Throughout this last year, the price paid increased by 8.8 cents per gallon, an increase of 6 percent.
- The average retail price paid for highway diesel fuel in **Missouri**, throughout this last month, decreased by 6.2 cents per gallon (4 percent) moving from 146.2 to 140.0 cents per gallon.

## Regular Unleaded Gasoline

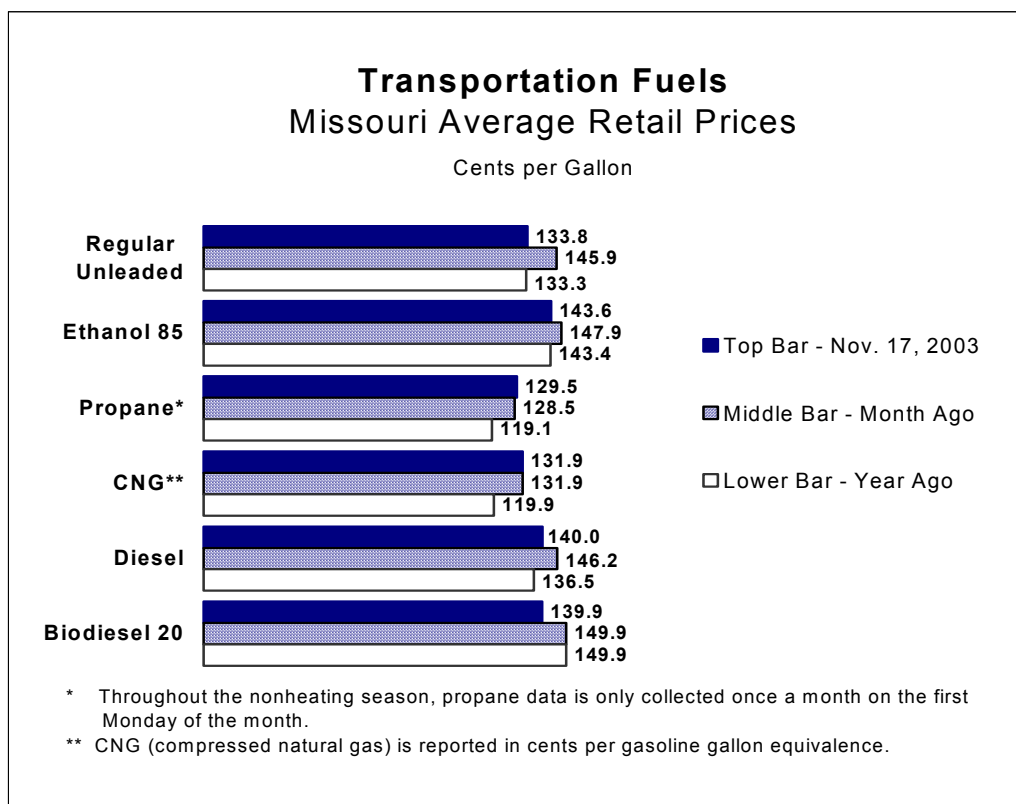
Average Retail Prices in the U.S.,  
Midwest, Missouri and Missouri  
Regions

Nov. 17, 2003 Fuel Data in Cents per Gallon

<b>U.S.</b>	<b>149.7</b>
<b>Midwest</b>	<b>145.1</b>
<b>Missouri</b>	<b>133.8</b>
<b>Central, Mo.</b>	<b>134.5</b>
<b>Kansas City, Mo.</b>	<b>135.3</b>
<b>Northeast, Mo.</b>	<b>134.5</b>
<b>Northwest, Mo.</b>	<b>135.1</b>
<b>St. Louis, Mo.</b>	<b>129.3</b>
<b>Southeast, Mo.</b>	<b>135.6</b>
<b>Southwest, Mo.</b>	<b>135.9</b>

Throughout this last year, the price paid increased by 3.5 cents per gallon moving from 136.5 to 140.0 cents per gallon, an increase of 3 percent.

- Total motor gasoline stocks in the **Midwest**, throughout this last month (Oct. 17 to Nov. 14) were up by 1.2 million barrels (2 percent) moving from 48.1 to 49.3 million barrels. In the **United States**, stocks were down by 3.8 million barrels moving from 196.0 to 192.2 million barrels, a decrease of 2 percent.
- Total motor gasoline stocks in the **Midwest**, throughout this last year (Nov. 15, 2002 to Nov. 14, 2003), were down by 0.3 million barrels (1 percent) moving from 49.6 to 49.3 million barrels. In the **United States**, stocks were down by 1.3 million barrels moving from 193.5 to 192.2 million barrels, a decrease of 1 percent.



The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Energy Bulletin is a public resource that is made available to state government decision-makers, to any other interested individual upon request and on-line at the Energy Center Internet site. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration and Chicago Regional Office; the National Association of State Energy Officials the Missouri Propane Gas Association and the Propane Education and Research Council; the St. Louis AAA Auto Club; regional state energy offices; and, Missouri's energy retailers.